20 June 1978

MEMORANDUM FOR: Dr. K. Wayne Smith

Chairman, Military Economic Advisory Panel

FROM:

Director of Central Intelligence

SUBJECT:

MEAP Meeting, April 1978

- 1. Thanks very much for your letter of June 8th and the enclosed report deriving from the MEAP meeting of last April. I found your comments very helpful indeed. Let me respond in a few instances:
 - a. We all agree that there may still be some imbalance with regard to attention and resources allocated to collection versus analysis. The big problem here is what specific things we can do to enhance the analytic effort. Bob Bowie has been developing a plan for improving analysis. I would be grateful if the Panel could review his work in this area and possibly come up with other suggestions.
 - b. Your comments on the consumers' need for intelligence are very pertinent. When you next meet, I hope you will look at the first iteration of the PRC(I) list of both long- and short-term priorities for intelligence. This is a new effort deriving from Executive Order 12036. I'd appreciate your views on whether it looks as though it has promise for helping provide guidance to the producers of intelligence.
 - c. I agree with you that the visiting scholar approach to a multi-disciplinary problem is an imaginative and hopeful course to follow. I will support it all I can. In this same area you commented that all too often the analyst with a multi-disciplinary capability becomes heavily tasked in management matters. I am interested in developing a two-track personnel management system which would permit some analysts to remain analysts while still getting promoted. Any thoughts you might have on this would be much appreciated.
 - d. On the Soviet energy analysis, I agree fully that more attention to the demand side of the question may be a very useful way to check our work.

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- e. One new area that concerns me is the question of lateral entry into the NFAC/DIA/INR organizations. It seems to me that they each need periodic stimulus from the outside. I am looking for a way to ensure this without jeopardizing the concept of an opportunity for a full career in these organizations. I frankly feel, however, that we should be looking at ways to bring in different percentages of outsiders at different grade levels each year. Again, your thoughts would be helpful.
- 2. Many thanks for the continued stimulation and helpful advice of the Panel.

San North and Alberta Park

STANSFIELD TURNER